

UNITED STATES OF AMERICA
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

Case No.

v.

Hon.

United States District Judge

RACHEL E. SOLES,

Defendant.

COMPLAINT

The Plaintiff United States of America, for the United States Department of Health and Human Services (HHS), states the following:

1. This is a civil action brought by the United States of America. The Court has jurisdiction over this action by virtue of 28 U.S.C. § 1345.
2. Venue is proper because the defendant, Rachel E. Soles, resides in Traverse City, Michigan, within the jurisdiction of this Court.
3. In 2012, Ms. Soles applied to participate in the Nursing Education Loan Repayment Program (NELRP, Section 846 of the Public Health Service Act (42 U.S.C. § 297n)). The application was approved, and an authorized designee of the Secretary, HHS, entered into a contract with Soles on August 15, 2012.
4. The Nursing Education Loan Repayment Program offers qualifying registered nurses assistance to repay educational loans in exchange for service in eligible facilities located in areas experiencing a shortage of nurses.

5. The defendant was to serve under the program for two consecutive years at Kalkaska Memorial Health Center in Kalkaska, Michigan from August 15, 2012 to August 14, 2014.

6. Under the contract, loan repayment funds totaling \$14,838.23 were paid to the defendant by the Federal government in accordance with program regulations. The funds were paid upon the condition that Soles serve full-time as a registered nurse for a period of two consecutive years, beginning on the effective date of her contract, at a Critical Shortage Facility (CSF). A CSF is a health care facility determined by the Secretary of Health and Human Services to have a critical shortage of nurses. Kalkaska Memorial Health Center was designated a CSF.

7. On May 31, 2013, Defendant Soles submitted by email a formal request to be placed in default. The request stated Soles would not be able to complete her service obligation because she accepted a nursing position elsewhere beginning in August 2013.

8. On August 26, 2013, HHS informed Soles by email that her voluntary default request could not be processed without an application verification form signed by the site verifying her dates of employment. On August 27, 2013, Soles faxed her final employment verification form for Kalkaska Memorial Health Center for the time period of February 15, 2013 through August 1, 2013.

9. On August 28, 2013, Kalkaska Memorial Health Center confirmed by email that Soles's last day was August 1, 2013. She was placed in default on her loan effective August 2, 2013. Soles completed a total of 352 days of a 730-day service obligation under the written contract.

10. Under the contract, if an individual fails to complete two years of service, the individual is liable to the Federal government for an amount equal to all payments made under the contract, plus interest at the maximum legal prevailing rate from the date of the individual's breach of their service obligation. Furthermore, the amount the Federal government is entitled to recover is due no later than three years from the date the individual defaults on the service obligation.

11. On October 18, 2013, Soles was notified by letter that she had been placed in default of her contract effective August 2, 2013 and that the debt must be paid within three years of the date of default.

12. Since that time, the United States has received a total of \$3,000.00 in payments on this debt.

13. As of July 22, 2022, Defendant Rachel E. Soles, was indebted to the United States in the amount of \$25,663.90 as evidenced by the Certificate of Indebtedness, attached as Exhibit 1, and incorporated herein.

14. Due demand has been made for payment and Soles has failed to pay this indebtedness.

WHEREFORE, the United States of America demands judgment against Defendant Soles as follows:

- a. In the amount of \$25,663.90 comprised of \$14,838.23 principal, \$10,825.67 interest accrued through July 22, 2022;
- b. Interest to accrue at the rate of 10.375% per annum from August 2, 2013 to date of judgment;

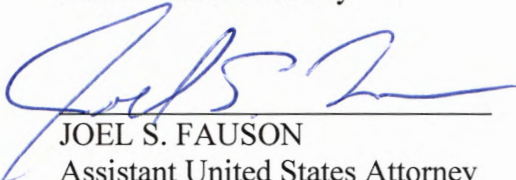
- c. Interest from the date of judgment at the legal rate in effect on the date of judgment until paid in full;
- d. Filing fees of \$402.00 pursuant to 28 U.S.C. § 2412(a)(2); and
- e. For such other relief as this Court may deem just.

Respectfully submitted,

MARK A. TOTTEN
United States Attorney

Date:

7/29/22



JOEL S. FAUSON

Assistant United States Attorney
Post Office Box 208
Grand Rapids, MI 49501-0208
(616) 456-2404
joel.fauson@usdoj.gov